

ORDER OF NOTICE

D.T.E. 04-63

July 7, 2004

Petition of NSTAR Gas Company for approval of proposed changes in its gas procurement practices.

The Petitioner, NSTAR Gas Company, is required to give notice of said request for public comment by publication hereof once at least fourteen (14) days prior to July 28, 2004 in the Worcester Telegram, the New Bedford Standard Times, the Middlesex News (Framingham), and either The Boston Globe or the Boston Herald; to serve a copy hereof at least fourteen (14) days prior to July 28, 2004 on the service list in D.T.E. 01-100 and D.T.E. 02-12; and to make a return of service and publication, to include the original clippings of the newspaper publications, at the close of the comment period.

By Order of the Department,

MARY L. COTTRELL, SECRETARY

D.T.E. 04-63

July 7, 2004

Petition of NSTAR Gas for approval of proposed changes in its gas procurement practices.

On June 18, 2004, NSTAR Gas Company ("NSTAR" or "Company") filed with the Department of Telecommunications and Energy ("Department") a proposal seeking Department authorization to implement modifications to its gas-purchasing practices, consistent with the Department's policy directives in Risk Management to Mitigate Natural Gas Price Volatility, D.T.E. 01-100 (2002). The Company intends to purchase a portion of the gas supply needed in the peak season (November through April) over a twelve-month period. NSTAR contends that by spreading a portion of the Company's gas purchases over twelve months, the price charged to customers is less susceptible to temporary price spikes in the natural gas market. The Company believes that this approach will serve to limit the price volatility that can occur in the natural gas marketplace. The Department has docketed this matter as D.T.E. 04-63.

The Department will accept written comments on the Company's proposal. Persons wishing to submit such comments should file as follows: an original and two (2) copies not later than the close of business (5:00 p.m.) on Wednesday, **July 28, 2004**, with Mary L. Cottrell, Secretary, Department of Telecommunications and Energy, One South Station, 2nd Floor, Boston, Massachusetts 02110, and one (1) copy with the Company's attorney:

Cheryl Kimball, Esq.
Keegan, Werlin & Pabian, LLP
265 Franklin Street
Boston, MA 02110-3113

All written documents should be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dte.efiling@state.ma.us and Jody.Stiefel@state.ma.us or (2) on a 3.5" disk, IBM-compatible format. The text of the e-mail

or the disk label must specify: (1) the docket number of the proceeding (D.T.E. 04-63), (2) name of the person or company submitting the filing, and (3) a brief descriptive title of the document. The electronic filing should also include the name, title and phone number of a person to contact in the event of questions about the filing. Text responses should be written in either Word Perfect (naming the document with a “.wpd” suffix), in Microsoft Word (naming the document with a “.doc” suffix), or as an Adobe PDF file (naming the document with a “.pdf” suffix). Data or spreadsheet responses should be compatible with Microsoft Excel. All written pleadings or comments submitted in electronic format will be posted on the Department’s Website, <http://www.mass.gov/dpu>.

The Company’s proposal may be inspected at the offices of the Department during normal business hours (Monday through Friday, 9:00 a.m. to 5:00 p.m.). The Company’s proposal is also available on the Department’s Website. Any person desiring further information regarding this notice should contact Jody Stiefel, Hearing Officer, Department of Telecommunications and Energy, at (617) 305-3500.

By Order of the Department,

Mary L. Cottrell, Secretary